

Appropriation: Service Charges, Deposits, and Forfeitures

APPROPRIATION LANGUAGE SHEET

For administrative expenses and other costs related to processing application documents and other authorizations for use and disposal of public lands and resources, for costs of providing copies of official public land documents, for monitoring construction, operation, and termination of facilities in conjunction with use authorizations, and for rehabilitation of damaged property, such amounts as may be collected under Public Law 94-579, as amended, and Public Law 93-153, to remain available until expended: Provided, That notwithstanding any provision to the contrary of section 305(a) of Public Law 94-579 (43 U.S.C. 1735(a)), any moneys that have been or will be received pursuant to that section, whether as a result of forfeiture, compromise, or settlement, if not appropriate for refund pursuant to section 305(c) of that Act (43 U.S.C. 1735(c)), shall be available and may be expended under the authority of this Act by the Secretary to improve, protect, or rehabilitate any public lands administered through the Bureau of Land Management which have been damaged by the action of a resource developer, purchaser, permittee, or any unauthorized person, without regard to whether all moneys collected from each such action are used on the exact lands damaged which led to the action: Provided further, That any such moneys that are in excess of amounts needed to repair damage to the exact land for which funds were collected may be used to repair other damaged public lands.

APPROPRIATION LANGUAGE CITATIONS

30 U.S.C. 185(1)
43 U.S.C. 1652(c)
43 U.S.C. 1719(b)
43 U.S.C. 1734(a)
43 U.S.C. 1734(b)
43 U.S.C. 1735(a)
43 U.S.C. 1737
43 U.S.C. 1764(g)
P.L. 105-83

30 U.S.C. 185(1) states that the applicant for a right-of-way shall reimburse the U.S. for administrative and other costs incurred in processing the application, and that the holder of a right-of-way or permit shall reimburse the U.S. for the costs incurred in monitoring the construction, operation, maintenance, and termination of any pipeline and related facilities on such right-of-way.

43 U.S.C. 1652(c) provides for the cost recovery provision of the Mineral Leasing Act to apply to right-of-way, leases, permits, and other authorizations issued pursuant to this title.

43 U.S.C. 1719(b) (FLPMA §209(b)) provides for conveyance of mineral interests upon payment of administrative costs and that the "moneys paid . . . for administrative costs . . . shall be paid to the agency which rendered the service and deposited to the appropriation then current."

43 U.S.C. 1734(a) (FLPMA §304(a)) provides that the Secretary may establish reasonable filing and service fees and reasonable charges, and commissions with respect to applications and other documents relating to the Public Land.

43 U.S.C. 1734(b) (FLPMA §304(b)) provides that the Secretary is authorized to require a deposit of any payments intended to reimburse the U.S. for reasonable costs with respect to applications and other documents relating to such lands. The moneys shall be deposited with the Treasury in a special account and are authorized to be appropriated and made available until expended.

43 U.S.C. 1735(a) (FLPMA §305(a)) provides that any money received by the U.S. as a result of the forfeiture of a bond or other security by a resource developer or purchaser or permittee who does not fulfill the requirements of his contract or permit or does not comply with the regulations of the Secretary, shall be credited to a separate account in the Treasury and is authorized to be appropriated and made available until expended.

43 U.S.C. 1737 (FLPMA §307(c)) provides that the Secretary may accept contributions or donations of money, services, and property, real, personal, or mixed, for the management, protection, development, acquisition, and conveyance of the public land, including the acquisition of rights-of-way for such purposes.

43 U.S.C. 1764(g) (FLPMA §504(g)) provides for payment of rental fees for ROW and for reimbursement of all reasonable administrative and other costs incurred in processing an application for a right-of-way; inspecting and monitoring construction and operations; and terminating the facility pursuant to the right-of-way.

Department of the Interior and Related Agencies Appropriations Act, 2002.

AUTHORIZATIONS

The Federal Land Policy and Management Act of 1976 (43 U.S.C. 1734, 1764)

Authorizes the collection of service charges and deposits to finance the costs of certain rights-of-way applications, permitting processes, and restoration activities; authorizes collection for damages, forfeiture of performance bonds, and receipt of deposits to finance the costs of certain land restoration activities. The provision is amended by the appropriations act language for "Services Charges, Deposits and Forfeitures."

The Mineral Leasing Act of 1920, as amended by the Trans-Alaska Pipeline Act of 1973, §101 (30 U.S.C. 185)

Authorizes rights-of-way for oil, gas, and other fuels. It further authorizes the Secretary to issue ROW and other land use authorizations related to the Trans-Alaska Pipeline. Rights-of-way applicants and permittees are to reimburse the U.S. for all costs associated with processing applications and monitoring pipeline construction and operations.

The Alaska Natural Gas Transportation Act of 1976 (15 U.S.C. 719)

Authorizes the granting of certificates, rights-of-way permits, and leases.

The National Environmental Policy Act of 1969 (42 U.S.C. 4321, 4331-4335, 4341-4347)

Requires the preparation of environmental impact statements for Federal projects that may have a significant effect on the environment.

The Wild Free Roaming Horse and Burro Act of 1971, as amended by the Public Rangelands Improvement Act of 1978 (16 U.S.C. 1331-1340)

Authorizes adoption of wild horses and burros by private individuals under cooperative agreements with the Government.

The Public Rangelands Improvement Act of 1978 (43 U.S.C. 1901-1908)

Establishes the policy of improving Federal rangeland conditions and facilitates the humane adoption or disposal of excess wild free-roaming horses and burros.

SUMMARY OF REQUIREMENTS (\$000)

Comparison by Activity/ Subactivity	2002 Actual		2003 Estimate		Uncontrollable & Related Changes (+/-)		Program Changes (+/-)		2004 Budget Request		Inc(+) / Dec(-) from 2003	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Service Charges, Deposits, & Forfeitures	93	0	95	0	0	0	0	0	95	0	0	0
Service Charges, Deposits, & Forfeitures Offsets	93	17,834	95	17,812	0	0	0	+2,678	95	20,490	0	+2,678
		-17,834		-17,812				-2,678		-20,490		-2,678
Right-Of- Way Processing	71	10,023	72	10,000	0	0	0	+2,000	72	12,000	0	+2,000
Adopt-A- Horse Program	0	1,217	0	1,225	0	0	0	0	0	1,225	0	0
Repair of Damaged Lands	5	2,922	5	3,666	0	0	0	0	5	3,666	0	0
Cost Recoverable Realty Cases	5	540	7	515	0	0	0	+500	7	1,015	0	+500
Timber Contract Expenses	1	73	1	50	0	0	0	0	1	50	0	0
Copy Fee Account	11	3,059	10	2,356	0	0	0	+178	10	2,534	0	+178

Appropriation: Service Charges, Deposits, and Forfeitures (Indefinite)

ACTIVITY SUMMARY (\$000)

Subactivity		2002 Actual Amount	2003 Estimate Amount	Uncontrollable & Related Changes (+/-) Amount	Program Changes (+/-) Amount	2004 Budget Request Amount	Inc(+) / Dec(-) from 2003 Amount
Right-of-Way Processing	\$	10,023	10,000	0	+2,000	12,000	+2,000
	FTE	71	72	0	0	72	0
Adopt-A-Horse Program	\$	1,217	1,225	0	0	1,225	0
	FTE	0	0	0	0	0	0
Repair of Damaged Lands	\$	2,922	3,666	0	0	3,666	0
	FTE	5	5	0	0	5	0
Cost Recoverable Realty Cases	\$	540	515	0	+500	1,015	+500
	FTE	5	7	0	0	7	0
Timber Contract Expenses	\$	73	50	0	0	50	0
	FTE	1	1	0	0	1	0
Copy Fee Account	\$	3,059	2,356	0	+178	2,534	+178
	FTE	11	10	0	0	10	0
Total	\$	17,834	17,812	0	+2,678	20,490	+2,678
	FTE	93	95	0	0	95	0

2004 PROGRAM OVERVIEW

Activity: Rights-Of-Way Processing - ROW processing is funded through a combination of applicant deposits made into this indefinite appropriation and a direct appropriation of funds in the Management of Lands and Resources appropriation--Lands and Realty Management subactivity.

BLM recovers costs for the processing costs of ROW issued pursuant to the *Mineral Leasing Act* and the *Federal Land Policy and Management Act*. Regulations set fee schedules according to the type and size of the project. The regulations allow the BLM to assess applicants for the actual costs to process large scale ROW projects, which are usually for oil and gas pipelines, electric transmission lines, wind energy sites, or other projects associated with energy development. Twenty percent of the rights-of-way applications are for these types of projects.

At least 80 percent of the ROW projects are for short roads, well gathering lines, electric lines, and other smaller scale projects, which cost an average of \$5,000 each to process. For the smaller scale projects, regulations set out a graduated fee schedule which assesses a flat rate depending on the estimated amount of work to process the application. For these projects, the BLM recovers 50 percent of the actual costs of each rights-of-way application. The proposed regulations will allow the BLM to recover 80 percent of the actual costs of these type of applications.

Only those costs directly associated with processing an application or issuing a ROW grant are charged to an individual project. Costs of land use planning or studies to determine placement of ROW corridors, and other general costs that are applicable to more than one project, cannot be charged to the individual rights-of-way project. These costs are funded entirely from the MLR appropriation.

The BLM currently maintains more than 84,000 ROW authorizations. The Bureau will continue to expedite the granting of ROWs by processing applications, issuing permits, and monitoring construction involved with the operation and termination of cost-recoverable ROWs on the public land as authorized by the *FLPMA* and the 1973 amendment to the *Mineral Leasing Act*.

2004 PROGRAM CHANGES

	2004 Budget Request	Program Changes (+/-)
\$(000)	12,000	+2,000
FTE	72	0

The 2004 request for ROW Processing is \$12,000,000 and 72 FTE, a program change of +\$2,000,000 from the 2003 requested level.

Right-of-Way Processing, (+\$2,000,000) – The BLM projects an increase in collections of +\$2,000,000 for right-of-way processing, due to the revised cost-recovery regulations the BLM plans to promulgate in 2003. The revised regulations will allow the BLM to assess applicants a greater percentage of the actual costs incurred when processing right-of-way applications, up to 80 percent of actual costs for small scale projects, compared to the 50 percent collected under the current regulations. Because the BLM estimates that it can collect an additional \$2,000,000 in costs from applicants, BLM requested a corresponding decrease in appropriations in the MLR account. The proposed reduction from the MLR account will not impact the number of right-of-way applications processed.

Activity: Adopt-a-Horse Program - The BLM conducts adoptions throughout the year for wild horses and burros on public lands. In 2004, 7,600 animals will be available for adoption to qualified applicants. The BLM places animals in adoption primarily through a competitive bidding process, receiving a minimum of \$125 per horse or burro to offset veterinary, transportation, and animal maintenance costs.

Activity: Repair of Damaged Lands - Under the *FLPMA*, the BLM is authorized to collect for land damaged by users who have not fulfilled the requirements of contracts or bonds. If a funding excess exists after repair has been made to the exact land for which funds were collected or forfeited, then BLM may use these funds to improve, protect, or rehabilitate any damaged public land.

Activity: Cost-Recoverable Realty Cases - The BLM performs certain types of realty work on a cost-recoverable basis. Regulations promulgated pursuant to the *FLPMA* allow the BLM to collect from applicants the costs of processing applications for realty work such as conveyance of mineral interests; issuance of disclaimers of interest; and issuance and compliance monitoring of many types of land use authorizations through leases, permits, and easements. The BLM will propose new regulations in 2003 to allow recovery of a portion of the costs for *Recreation and Public Purpose Act* lease applications.

Realty actions for which the BLM recovers costs from applicants under current regulations include:

- **Conveyance of Federally Owned Mineral Interests** – The BLM collects costs from applicants to cover administrative costs, including the costs of conducting an exploratory program to determine the type and amount of mineral deposits, establishing the fair market value of the mineral interests to be conveyed, and preparing conveyance documents.
- **Recordable Disclaimers of Interest** – The BLM collects costs from applicants to cover administrative costs, including the costs to determine if the U.S. has an interest in the property or boundary definitions, as well as preparing the riparian specialist's report or preparing and issuing the document of disclaimer.
- **Leases, Permits, and Easements** – The BLM collects costs from applicants to cover administrative costs, including the cost of processing applications, monitoring construction, operating and maintaining authorized facilities, and monitoring rehabilitation and restoration of the land.

Applicants may deposit money in an approved account for the BLM's use in completing specific realty work. These dollars become immediately available to the BLM without further appropriation.

2004 PROGRAM CHANGES

	2004 Budget Request	Program Changes (+/-)
\$(000)	1,015	+500
FTE	7	0

Cost-Recoverable Realty Cases, (+\$500,000) – The BLM projects an increase in collections in 2004 of +\$500,000 for cost recoverable realty cases due to the regulations that BLM will propose to allow increased cost recovery for *Recreation and Public Purpose Act* applications. The *RPPA* authorizes the BLM to lease or patent lands to States, local governments and qualified non-profit organizations for schools, recreation sites, municipal facilities, and similar purposes. The BLM processed 149 of these applications in 2002, at an average cost of \$7,000 per case and anticipates processing 150 in 2004, at a cost of over \$1,100,000. In 2003, the BLM will propose regulations that will allow recovery of a portion of these costs from each applicant. A schedule would set out rates of recovery depending on various factors. The BLM anticipates recovering a total of \$500,000. Therefore the BLM anticipates an increase in collections of \$500,000, and has requested a decrease in appropriations in the MLR account of a corresponding amount.

Activity: Timber Contract Expenses - Many BLM timber contracts have provisions that allow the purchaser to make cash payments to the BLM in lieu of performing specified work directly. The BLM uses these funds as required by the contract. This involves performing timber slash disposal and reforestation.

Activity: Copy Fees - The BLM is the custodian of the official public land records of the U.S. There are 500,000 requests annually from industry, user organizations, and the general public, for copies of these official records. The BLM charges a fee for copies of these documents (maps, plats, field notes, copies of use authorizations, reservations of easements and ROW, serial register pages, and master title plats). This fee covers the cost of research, staff time, and printing.

2004 PROGRAM CHANGES

	2004 Budget Request	Program Changes (+/-)
\$(000)	2,534	+178
FTE	10	0

The 2004 request for copy fees is \$2,534,000 and 10 FTE, a program change of +\$178,000 from the 2003 requested level.

Copy Fees, (+\$178,000) – Receipts for copy fees are projected to increase due with the demand for maps and publications sold through BLM offices and the new (November 2002) regulations concerning copy fees for certain *Freedom of Information Act* requests.

Budget Schedules

SUMMARY OF REQUIREMENTS OF BUDGET AUTHORITY BY OBJECT CLASS (MILLION \$)

Object Class	2003 Request		Uncontrollable & Related Changes		Program Changes		2004 Request	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
11.1 Full-Time Permanent		4	0	0	0	1		5
11.9 Total Personnel Compensation	95	4	0	0	0	1	95	5
12.1 Civilian Personnel Benefits	0	2	0	0	0	0	0	2
22.0 Transportation of Things	0	2	0	0	0	0	0	2
25.2 Other Services	0	4	0	0	0	1	0	5
25.3 Other purchases of goods and services from Gov't accounts		3						3
26.0 Supplies & Materials	0	3	0	0	0	0	0	3
99.9 Total	95	18	0	0	0	2	95	20

PROGRAM AND FINANCING (MILLION \$)

Identification code: 14-5017-0-2-302		2002 actual	2003 request	2004 estimate
Obligations by program activity:				
00.01 Rights-of-way processing		9	10	11
00.02 Adopt-a-horse program		1	1	1
00.03 Repair of lands and facilities		2	2	2
00.04 Cost recoverable realty cases		1	1	1
00.05 Copy fees		3	3	3
10.00 Total obligations		16	17	18
Budgetary resources available for obligation:				
21.40 Unobligated balance available, start of year		11	13	12
22.00 New budget authority (gross)		18	18	20
23.90 Total budgetary resources available for obligations		29	31	32
23.95 Total new obligations		-16	-17	-18
24.4 Unobligated balance carried forward, end of year		13	12	12
New budget authority (gross), detail:				
Discretionary:				

Bureau of Land Management**2004 Budget Justifications**

Identification code: 14-5017-0-2-302		2002 actual	2003 request	2004 estimate
40.20	Appropriation (special fund)	18	18	20
Change in unpaid obligations:				
72.40	Obligated balance, start of year	3	3	7
73.10	Total new obligations	16	17	18
73.20	Total outlays (gross)	-16	-14	-20
74.40	Obligated balance, end of year	3	7	6
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	7	9	10
86.93	Outlays from discretionary balances	9	5	10
87.00	Total outlays (gross)	16	14	20
Net budget authority and outlays:				
89.00	Budget authority	18	18	20
90.00	Outlays	16	14	20

OBJECT CLASSIFICATION (MILLION \$)

Identification code: 14-5017-0-2-302		2002 actual	2003 request	2004 estimate
Direct obligations:				
11.1	Personnel compensation: Full-time permanent	4	4	4
12.1	Civilian personnel benefits	2	2	2
22.0	Transportation of things	2	2	2
25.2	Other services	3	4	5
25.3	Other purchases of goods and services from Gov't accounts	3	3	3
26.0	Supplies and materials	2	2	2
99.9	Total obligations	16	17	18

PERSONNEL SUMMARY

Identification code: 14-5017-0-2-302		2002 actual	2003 request	2004 estimate
Direct program:				
Full-time equivalent employment		93	95	95
FTE inherently governmental (civilian)		66	67	67
FTE commercial (civilian)		27	28	28